



STATE BOARD OF LAND COMMISSIONERS

Dirk Kempthorne, Governor and President of the Board

Ben Ysursa, Secretary of State

Lawrence G. Wasden, Attorney General

Keith L. Johnson, State Controller

Marilyn Howard, Superintendent of Public Instruction

Winston A Wiggins, Secretary to the Board

Final Minutes Regular Land Board Meeting July 13, 2004

The regular meeting of the Idaho State Board of Land Commissioners was held on Tuesday, July 13, 2004 in Boise, Idaho. The meeting began at 9:02 a.m. The Honorable Secretary of State Ben Ysursa presided. The following members were present:

Honorable State Controller Keith L. Johnson

Honorable Attorney General Lawrence G. Wasden (*via conference phone*)

Secretary to the Board Winston A Wiggins

Governor Dirk Kempthorne and Superintendent of Public Instruction Marilyn Howard were absent for this meeting. Attorney General Wasden participated in the meeting via conference phone beginning at 9:02 a.m.

• CONSENT

Director Wiggins provided background information on the Consent Agenda items.

A motion was made by Controller Johnson to approve the Consent Agenda in its entirety. Attorney General Wasden seconded the motion. The motion carried on a vote of 3-0, with Governor Kempthorne and Superintendent Howard being absent for this vote.

1. Director's Report – approved

- A. Interest Rate on Department Transactions – June 2004
- B. Bureau of Real Estate, Land Sale Section, Official Transactions – May 2004
- C. Bureau of Real Estate, Easement Section, Official Transactions – May 2004
- D. Bureau of Surface and Mineral Resources, Official Transactions – April, May 2004
- E. Timber Sale Official Transactions – May 26 through June 29, 2004
- F. Timber Sale Activity Report
- G. Legal Matter Summary

2. Endowment Fund Investment Board Manager's Report – Staffed by Matthew Haerten, CFA, Manager of Investments, EFIB – approved

DISCUSSION: Legislative changes this year added the Capitol Endowment, approximately \$6 million, to the pool of funds managed by the EFIB. This addition will benefit the Capitol Endowment by reducing fees and expenses at no detriment to the other beneficiaries in the Endowment Fund.

The EFIB is completing its year-end accounting, and its audit will begin in two weeks. Mr. Haerten anticipates presenting the completed audit to the EFIB at its August meeting and then to the Land

Board in September. Items listed in last year's audit have been addressed. Mr. Haertzen expects a good audit going into this year.

The EFIB recently moved into a new IDL building. Mr. Haertzen commended Director Wiggins and his staff for an exceptional job of refurbishing the space.

3. Request by Department of Health and Welfare for Approval of Land Sale, Including Minerals – Staffed by Dave Ricks, Project Controller, Department of Health and Welfare – **approved**

DEPARTMENT RECOMMENDATION: That, pursuant to I.C. § 47-701, the State Board of Land Commissioners identify the property owned by the Department of Health and Welfare and located at 302 S. 13th Street in Coeur d'Alene, Idaho as having the potential highest and best use for development purposes, including residential, commercial or industrial purposes to allow the sale thereof without reservation of mineral rights.

BOARD ACTION: Approved.

4. Timber Sales – Staffed by Bob Helmer, Chief, Bureau of Forest Management – **approved**

A. West Rim	CR-10-0341	2,260	MBF
B. Smith's Bane	CR-21-3002	1,580	MBF
C. Pokey Creek	CR-30-0505	7,050	MBF
D. Triangle Sawlog	CR-30-0507	6,905	MBF
E. Space Divide Pole	CR-42-5006	25	MBF
		74,875	LF
F. Rattlesnake	CR-60-0160	3,535	MBF

5. Approval Request for Disclaimer of Interest to Pippenger for Accretion Land Adjacent to the Clearwater River in Clearwater County – Staffed by Dan Spanfelner, Real Estate Specialist – **approved**

DEPARTMENT RECOMMENDATION: It is recommended that a disclaimer of interest be issued for this parcel of land (totaling 0.71 acres, more or less) of the former bed of the Clearwater River. The recommended fee for the disclaimer is \$600.00.

BOARD ACTION: Approved.

6. Request for Conceptual Approval of the Wendell II Land Exchange with BLM in South Central Idaho – Staffed by Perry Whittaker, Chief, Bureau of Real Estate – **approved**

DEPARTMENT RECOMMENDATION: Direct the Department to initiate the Wendell Phase II Land Exchange with the Bureau of Land Management. A final exchange proposal will be brought back to the Land Board for approval.

DISCUSSION: Controller Johnson asked if anyone had voiced opposition to the proposed exchanges in items 6, 7 and 8. Director Wiggins stated no objections have been voiced. The Wendell II exchange would expand a block of State land. The Shroyer exchange is a private party exchange. The Fish and Game item is essentially an exchange of lands at the same immediate vicinity.

BOARD ACTION: Approved.

7. Request for Conceptual Approval of the Shroyer Land Exchange – Staffed by Perry Whittaker, Chief, Bureau of Real Estate – approved

DEPARTMENT RECOMMENDATION: Direct the Department to initiate the exchange process with Shroyer so timber cruises and appraisals can be completed to finalize the exchange. The final exchange proposal will be brought back to the Land Board for approval.

DISCUSSION: Controller Johnson asked if anyone had voiced opposition to the proposed exchanges in items 6, 7 and 8. Director Wiggins stated no objections have been voiced. The Wendell II exchange would expand a block of State land. The Shroyer exchange is a private party exchange. The Fish and Game item is essentially an exchange of lands at the same immediate vicinity.

BOARD ACTION: Approved.

8. Request for Conceptual Approval of the Craig Mountain Land Exchange with Idaho Department of Fish and Game – Staffed by Perry Whittaker, Chief, Bureau of Real Estate – approved

DEPARTMENT RECOMMENDATION: Direct the Department to initiate the exchange process with Fish and Game so timber cruises, surveys and appraisals can be completed to finalize the exchange. The final exchange proposal will be brought back to the Land Board for approval.

DISCUSSION: Controller Johnson asked if anyone had voiced opposition to the proposed exchanges in items 6, 7 and 8. Director Wiggins stated no objections have been voiced. The Wendell II exchange would expand a block of State land. The Shroyer exchange is a private party exchange. The Fish and Game item is essentially an exchange of lands at the same immediate vicinity.

BOARD ACTION: Approved.

9. Minutes – approved

A. Regular Land Board Meeting – June 13, 2004

• **REGULAR**

10. Land Sale – Clear Creek Lot 4 – S70-01-05 – Presented by Director Winston Wiggins

DEPARTMENT RECOMMENDATION: Direct the Department to advertise and sell the 56.88 acre lot without reservation of minerals at public auction under terms as noted with a minimum bid of \$5,100,000.

DISCUSSION: Controller Johnson asked if the Department anticipates any significant impact to the current lessee. Director Wiggins stated the Department does not believe there will be any impact.

Secretary of State Ysursa commented that this is the Board's first major foray into the Land Bank process. After the sale, the Department will have up to five years to use the proceeds to purchase other land. This process is part of endowment reform. Secretary of State Ysursa believes this is a great move, and he hopes it will bring in a lot of money for the public schools.

BOARD ACTION: A motion was made by Attorney General Wasden to adopt and approve this agenda item. Controller Johnson seconded the motion. The motion carried on a vote of 3-0, with Governor Kempthorne and Superintendent Howard being absent for this vote.

- **Information**

Director Wiggins briefed the Board on the Information Agenda item. No Land Board action is required on the Information Agenda.

11. Land Exchange Status Report

At 9:20 a.m., a motion was made by Controller Johnson to resolve into Executive Session. Attorney General Wasden seconded the motion. The motion carried on a vote of 3-0, with Governor Kempthorne and Superintendent Howard being absent for this vote.

- **EXECUTIVE SESSION**

A. To Consider Records that are Exempt from Disclosure [[Idaho Code § 67-2345\(1\)\(d\)](#)]

B. To Consider and Advise Its Legal Representatives in Pending Litigation or Where There is a General Public Awareness of Probable Litigation [[Idaho Code § 67-2345\(1\)\(f\)](#)]

C. To Consider Personnel Matters [[Idaho Code § 67-2345\(1\)\(b\)](#)]

At 9:31 a.m., a motion was made by Attorney General Wasden to resolve into Regular Session and to adjourn. Controller Johnson seconded the motion. The motion carried on a vote of 3-0, with Governor Kempthorne and Superintendent Howard being absent for this vote.

There being no further business to come before the Board, the meeting adjourned at 9:31 a.m.

IDAHO STATE BOARD OF LAND COMMISSIONERS

/s/ Dirk Kempthorne

President, State Board of Land Commissioners and
Governor of the State of Idaho

/s/ Ben Ysursa

Ben Ysursa
Secretary of State

/s/ Winston A Wiggins

Winston A Wiggins
Director

<p>The above-listed final minutes were approved by the State Board of Land Commissioners at the September 14, 2004 regular Land Board meeting.</p>
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